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BELLSOUTH TELECOMMUNICATIONS, INC.

TESTIMONY OF KATHY K. BLAKE

BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 97-239-C

DECEMBER 31, 2003

Q. PLEASE STATE YOUR NAME, YOUR POSITION WITH BELLSOUTH
TELECOMMUNICATIONS, INC. ("BELLSOUTH") AND YOUR BUSINESS
ADDRESS.

A. My name is Kathy K. Blake. I am employed by BellSouth as Director – Policy
Implementation for the nine-state BellSouth region. My business address is 675
West Peachtree Street, Atlanta, Georgia 30375.

Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF YOUR BACKGROUND
AND EXPERIENCE.

A. I graduated from Florida State University in 1981, with a Bachelor of Science
degree in Business Management. After graduation, I began employment with
Southern Bell as a Supervisor in the Customer Services Organization in Miami,
Florida. In 1982, I moved to Atlanta where I have held various positions
involving Staff Support, Product Management, Negotiations, and Market
Management within the BellSouth Customer Services and Interconnection
Services Organizations. In 1997, I moved into the State Regulatory Organization

1 where my responsibilities included issues management and policy witness
2 support. I assumed my current responsibilities in July 2003.

3
4 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

5
6 A. The purpose of my testimony is to: (1) describe the tariff that BellSouth filed in
7 this docket on September 2, 2003; (2) put Bellsouth's tariff filing into context by
8 briefly explaining how the intrastate Universal Service Fund ("the State USF")
9 came about; and (3) explain how BellSouth's tariff filing complies with the State
10 USF Guidelines and Administrative Procedures that the Commission has
11 adopted.¹

12
13 ***I. DESCRIPTION OF BELL SOUTH'S TARIFF FILING***

14
15 Q. PLEASE DESCRIBE THE TARIFF THAT BELL SOUTH FILED IN THIS
16 DOCKET ON SEPTEMBER 2, 2003.

17
18 A. BellSouth's proposed tariff reduces the Local Switching rate, the DS1 Facility
19 Termination charge, and the DS1 Interoffice Channel Mileage charge components
20 of its Feature Group D intrastate switched access rates in South Carolina. A
21 redacted, non-proprietary copy of BellSouth's filing package is attached to my
22 testimony as Exhibit KKB-1.²

23 ¹ As explained below, these Guidelines and Administrative Procedures are Exhibits
24 A and B, respectively, to Order No. 2001-996 that the Commission entered in Docket No.
1997-239-C on October 10, 2001.

25 ² BellSouth will make proprietary versions of this filing package available to
parties upon execution of an acceptable proprietary agreement or upon the Commission's
entry of a protective order in this docket.

1 Q. WHY IS BELL SOUTH PROPOSING THESE RATE REDUCTIONS?

2

3 A. BellSouth is proposing to reduce these intrastate switched access rates in order to
4 remove a portion of the implicit support that is provided for universal service.

5

6 Q. DO THE RATES FOR SWITCHED ACCESS SERVICE THAT BELL SOUTH
7 IS PROPOSING TO REDUCE CONTAIN IMPLICIT SUPPORT FOR
8 UNIVERSAL SERVICE?

9

10 A. Yes. The Commission previously has found that "[i]ntrastate switched access
11 rates are priced above cost," that these rates "contain significant implicit support
12 for basic local exchange telephone service," and that "[a]ccess service is
13 particularly susceptible to bypass and competitive erosion."³ Both the existing
14 rates for this service and the proposed rates in BellSouth's tariff are above the
15 UNE rates for the network components of the service as set forth in the pre-filed
16 direct testimony of BellSouth witness Robert McKnight. As Mr. McKnight
17 explains in his testimony, this means that these rates also exceed the Total Service
18 Long Run Incremental Costs of the service. Even after BellSouth's proposed rate
19 reductions are implemented, therefore, its rates for Feature Group D intrastate
20 switched access service in South Carolina will continue to be priced above cost.

21

22

23

24

25 ³ See Order on Universal Service Fund, *In Re: Proceeding to Establish Guidelines
for an Intrastate Universal Service Fund*, Order No. 2001-419 in Docket No. 97-239-C at
p. 34 (June 6, 2001).

1 Q. HOW DO BELLSOUTH'S PROPOSED RATES FOR INTRASTATE
2 SWITCHED ACCESS SERVICE IN SOUTH CAROLINA COMPARE TO
3 BELLSOUTH'S RATES FOR INTERSTATE SWITCHED ACCESS SERVICE
4 AND TO BELLSOUTH'S RATES FOR INTRASTATE SWITCHED ACCESS
5 SERVICE IN OTHER STATES IN BELLSOUTH'S REGION?

6
7 A. As set out in Exhibit KKB-2, BellSouth's proposed rates for intrastate switched
8 access service in South Carolina are closely aligned with BellSouth's interstate
9 switched access rates and with BellSouth's intrastate switched access rates in
10 other states in the BellSouth region. The proposed South Carolina rates are lower
11 than the rates in 3 states and higher than the rates in 5 states.

12
13 Q. IS BELLSOUTH SEEKING EXPLICIT FUNDING FROM THE STATE USF
14 AS A RESULT OF THESE PROPOSED RATE REDUCTIONS?

15
16 A. Yes. BellSouth is requesting explicit funding from the State USF in an amount
17 equal to the reduction in intrastate switched access revenues that results from
18 these proposed rate reductions. This amount of \$7.991 million is explained in the
19 testimony of BellSouth witness Edward Matejick.⁴

20
21 Q. WHAT IS THE EFFECTIVE DATE OF BELLSOUTH'S PROPOSED TARIFF?

22
23 A. March 1, 2004.

24
25 ⁴ As a result of the correction of a calculation error, this amount is slightly lower
than the \$8.117 million amount that is set out BellSouth's tariff filing package of
September 2, 2003.

1 Q. WHY DID BELL SOUTH CHOOSE THAT EFFECTIVE DATE?

2

3 A. Ordinarily, under the State USF Administrative Procedures approved by the
4 Commission, tariff filings seeking to remove implicit funding for universal
5 service and to receive explicit funding from the State USF are filed by April 1 for
6 implementation by October 1.⁵ This provides a six-month interval for review,
7 approval by the Commission, and implementation.

8

9 By Commission order,⁶ the filing date for the 2003 USF requests was extended.
10 BellSouth respectfully requests that the Commission complete its review and
11 render its decision on BellSouth's tariff filing within the usual six-month interval,
12 which would result in an effective date of March 1, 2004.

13

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21 ⁵ See South Carolina Universal Service Fund Administrative Procedures at p.6,
22 §V.B&C. The manner in which these Administrative Procedures came about is set forth
below in Section II. of my testimony.

23 ⁶ See Order Granting Request to Extend Deadline for Filing Tariffs Associated
24 with the State Universal Service Fund, *In Re: Proceeding to Establish Guidelines for an*
Intrastate Universal Service Fund, Order No. 2003-221 in Docket No. 97-239-C (April 7,
25 2003); Order Granting Request to Extend Deadline for Filing Tariffs Associated with
the State Universal Service Fund, *In Re: Proceeding to Establish Guidelines for an*
Intrastate Universal Service Fund, Order No. 2003-423 in Docket No. 97-239-C (June
19, 2003).

1 **II. ESTABLISHMENT AND IMPLEMENTATION OF THE STATE USF**

2
3 Q. BY WAY OF BACKGROUND, AND IN ORDER TO PUT BELL SOUTH'S
4 TARIFF FILING INTO CONTEXT, CAN YOU BRIEFLY DESCRIBE HOW
5 THE STATE USF CAME ABOUT?

6
7 A. Yes. In 1996, the General Assembly enacted Section 58-9-280(E), which requires
8 the Commission to "establish a universal service fund (USF) for distribution to a
9 carrier(s) of last resort." The statute requires the Commission to issue orders
10 adopting "such guidelines as may be necessary for the funding and management
11 of the USF," and it provides that "[t]hese guidelines must not be inconsistent with
12 applicable federal law and shall address, without limitation" the matters set forth
13 in subsections (1) through (8) of Section 58-9-280(E).

14
15 Q. HAS THE COMMISSION TAKEN ACTION PURSUANT TO SECTION 58-9-
16 280(E) IN ORDER TO ESTABLISH AND IMPLEMENT THE STATE USF?

17
18 A. Yes. In Order No. 97-516, the Commission explained how it would go about
19 establishing the State USF.⁷ This Order explained that the Commission would
20 first establish general guidelines for the establishment of the fund, "including
21 estimating the size of the level of support to be tried up or down after the
22 Commission determined the actual methodology to be used."⁸ The Order further
23 explained that the Commission would then hold a separate hearing to "accept and
24

25 ⁷ See Order, *In Re: Proceeding to Establish Guidelines for an Intrastate Universal*
 Service Fund, Order No. 97-516 in Docket No. 97-239-C (June 13, 1997).

⁸ *Id.* at p. 1.

1 evaluate evidence regarding specific methodologies to be used in determining the
2 size of the intrastate USF."⁹

3
4 Q. DID THE COMMISSION ESTABLISH GUIDELINES FOR THE STATE USF?

5
6 A. Yes. In 1997, the Commission held a hearing to consider the establishment of the
7 State USF pursuant to the statute. During this hearing, the Commission
8 considered guidelines that the South Carolina Telephone Association ("SCTA")
9 proposed, and on September 3, 1997, the Commission issued an Order adopting
10 certain sections of those guidelines, as modified and supplemented by the
11 Commission.¹⁰ The Commission deferred ruling on certain other sections of the
12 SCTA's proposed guidelines.

13
14 Q. DID THE COMMISSION HOLD A SEPARATE HEARING TO ADDRESS
15 THE METHODOLOGIES TO BE USED IN DETERMINING THE SIZE OF
16 THE INTRASTATE USF?

17
18 A. Yes. On November 19, 1997, the Commission held a hearing on these matters.
19 Following that hearing, the Commission issued an Order finding, in pertinent part,

20
21 ⁹ *Id.*

22 ¹⁰ See Order Addressing the Universal Service Fund, *In Re: Proceeding to*
23 *Establish Guidelines for an Intrastate Universal Service Fund*, Order No. 97-573 in
24 Docket No. 97-239-C (September 3, 1997). The Commission further modified and
25 supplemented its decision in response to certain petitions for reconsideration and/or
clarification. See Order Granting in Part and Denying in Part Petitions, *In Re:*
Proceeding to Establish Guidelines for an Intrastate Universal Service Fund, Order No.
97-942 in Docket No. 97-239-C (December 31, 1997); Order Granting Reconsideration
in Part, *In Re: Proceeding to Establish Guidelines for an Intrastate Universal Service*
Fund, Order No. 98-201 in Docket No. 97-239-C (March 17, 1998).

1 that "[t]he Benchmark Cost Proxy Model (BCPM) 3.1 is hereby adopted as the
2 State forward-looking cost model for BellSouth" ¹¹ The Commission also
3 adopted the company-specific inputs recommended by BellSouth for use in the
4 BCPM 3.1 in BellSouth's service areas, and it found that "[t]hese inputs will be
5 modified as appropriate to be consistent with the Commission decision in Docket
6 No. 97-374-C, the Proceeding to Review BellSouth Telecommunications, Inc.'s
7 cost studies for unbundled network elements, said point as listed herein [at pages
8 59-60 of the Order]." ¹²

9
10 Q. DID THE COMMISSION HOLD ANY SUBSEQUENT HEARINGS TO
11 ADDRESS THE ESTABLISHMENT AND IMPLEMENTATION OF THE
12 STATE USF?

13
14 A. Yes. On July 17, 2000, the Commission held another hearing to address various
15 remaining issues related to the State USF, ¹³ and the Commission issued an order
16 addressing those issues on June 6, 2001. In that Order, the Commission stated
17 that:

18
19 we adopt those parts of the SCTA's proposal, including
20 modifications to the State USF guidelines, that are not inconsistent
21 with the specific recommendations outlined and adopted above.

22
23 ¹¹ See Order on Universal Service Cost Models, *In Re: Proceeding to Establish*
24 *Guidelines for an Intrastate Universal Service Fund*, Order No. 98-322 in Docket No. 97-
25 239-C at p. 72, ¶1. (May 6, 1998).

26 ¹² *Id.*, ¶2.

27 ¹³ See Order on Universal Service Fund, *In Re: Proceeding to Establish Guidelines*
28 *for an Intrastate Universal Service Fund*, Order No. 2001-419 in Docket No. 97-239-C at
29 pp. 1-2 (June 6, 2001).

1 Staff is instructed to modify the Administrative Procedures
2 proposed by the SCTA to the extent necessary to be consistent
3 with the recommendations we are adopting¹⁴
4

5 Q. DID THE STAFF MAKE THESE MODIFICATIONS?
6

7 A. Yes, and the Staff submitted these modifications to the Commission. On October
8 10, 2001, the Commission entered an Order approving "final Guidelines for the
9 South Carolina Universal Service Fund (USF) and the South Carolina Universal
10 Service Fund Administrative Procedures."¹⁵ This Order provides that
11

12 The two documents were filed with this Commission by the South
13 Carolina Telephone Association (SCTA) originally in this
14 proceeding, and have been modified as instructed in our Order No.
15 2001-419, dated June 6, 2001 to reflect all changes ordered by us
16 since adoption of the original guidelines by our Order No. 97-753
17 dated September 3, 1997, and are attached hereto as Exhibits A &
18 B to this Order.
19

20 We have examined the submitted documents and do hereby find
21 that they conform with and are in compliance with our previous
22 Orders in this Docket, and that they correctly reflect this
23 Commission's intent in establishing both the Guidelines and
24

¹⁴ *Id.* at p. 35, ¶13.

¹⁵ See Order Approving Final Documents and Vacating Order No. 2001-954, *In Re: Proceeding to Establish Guidelines for an Intrastate Universal Service Fund*, Order No. 2001-996 in Docket No. 97-239-C (October 10, 2001).

1 Administrative Procedures. Accordingly, we approve both of the
2 named documents attached hereto as final documents.¹⁶

3
4 For ease of reference, I will refer to the Guidelines and the Administrative
5 Procedures collectively as "the State USF Requirements" in the remainder of my
6 testimony.

7
8 ***III. BELLSOUTH'S COMPLIANCE WITH STATE USF REQUIREMENTS***

9
10 Q. ACCORDING TO THE STATE USF REQUIREMENTS, WHAT TYPE OF
11 TELECOMMUNICATIONS CARRIER IS ELIGIBLE TO RECEIVE SUPPORT
12 FROM THE STATE USF?

13
14 A. A telecommunications carrier that assumes the obligations of a carrier of last
15 resort is eligible to receive support from the State USF.¹⁷

16
17 Q. IS BELLSOUTH A CARRIER OF LAST RESORT THAT IS ELIGIBLE TO
18 RECEIVE SUPPORT FROM THE STATE USF?

19
20 A. Yes. Section 58-9-10(10) of the South Carolina Code defines the term "carrier of
21 last resort" as "a facilities-based local exchange carrier, as determined by the
22 commission, not inconsistent with the federal Telecommunications Act of 1996,
23 which has the obligation to provide basic local exchange telephone service, upon
24 reasonable request, to all residential and single-line business customers within a

25

¹⁶ See *Id.* at p. 1.

¹⁷ See Guidelines at p.1, §2; Administrative Procedures at §IV, p. 3.

1 defined service area." This sub-section further provides that "[i]nitially, the
2 incumbent LEC must be a carrier of last resort within its existing service area."
3 Additionally, BellSouth is an eligible telecommunications carrier,¹⁸ and BellSouth
4 meets all of the requirements for being designated a carrier of last resort that are
5 set for at pages 1-2 of the Guidelines.

6
7 Q. HOW IS THE SIZE OF THE BELLSOUTH-SPECIFIC PORTION OF THE
8 STATE USF DETERMINED?

9
10 A. The Guidelines provides that

11
12 The maximum size of the state USF (which includes provisions for
13 high cost and low income support) shall be the sum of the
14 differences, for each ILEC carrier of last resort, for each of its
15 designated state USF support service areas, between the cost of
16 providing basic local exchange telecommunications services less the
17 maximum amount (as approved by the Commission) it may charge
18 for basic local exchange telecommunications service within each
19 area and less any federal universal service support received for
20 serving the same area ("high cost support component"), plus the cost
21 of any state mandated support programs for low-income consumers

22
23
24
25 ¹⁸ See Order Designating LECs as Eligible Telecommunications Carriers, *In Re: Proceeding to Establish Guidelines for an Intrastate Universal Service Fund*, Order No. 97-958 in Docket No. 97-239-C (November 24, 1997).

1 such as Lifeline, as well as any appropriate administrative
2 expenses.¹⁹

3
4 Q. HAS BELLSOUTH CALCULATED THE BELLSOUTH-SPECIFIC PORTION
5 OF THE STATE USF IN THIS MANNER?

6
7 A. Yes. After the Commission issued Order No. 98-322 adopting the BCPM 3.1
8 with inputs as modified in that Order, BellSouth calculated the BellSouth-specific
9 portion of the State USF to be \$171 million. Exhibit KKB-3 to my testimony sets
10 forth these calculations.

11
12 Q. IN CALCULATING THIS BELLSOUTH-SPECIFIC PORTION OF THE
13 STATE USF, WHAT METHODOLOGY WAS USED TO DETERMINE
14 BELLSOUTH'S COST OF PROVIDING BASIC LOCAL EXCHANGE
15 TELECOMMUNICATIONS SERVICE WITHIN ITS SERVICE AREA?

16
17 A. As BellSouth witness Robert McKnight explains in his pre-filed direct testimony,
18 BellSouth used the company-specific inputs it recommended for use in the BCPM
19 3.1 in BellSouth's service areas as modified by the Commission in Order No.
20 Order No. 98-322 in Docket No. 97-239-C.

21
22
23
24 ¹⁹ See Guidelines at p. 6, §9. The Guidelines further provide that "[u]ntil such time
25 as the commission conducts hearings to establish appropriate maximum rates, the
maximum rates for determining universal service support shall be deemed to be the
[carrier of last resort's] tariffed rates for residential and single-line business services."
See Guidelines at p.9, §11.

1 Q. DO THE REQUIREMENTS EXPLAIN HOW THE STATE USF WILL BE
2 IMPLEMENTED?

3

4 A. Yes. They provide that the State USF is to be implemented in at least three
5 phases: (1) the Initial Phase, which consists of two steps; (2) the Second Phase;
6 and (3) Subsequent Phases. As I explain below, both steps of the Initial Phase
7 have been implemented, and BellSouth's proposed tariff that is the subject of this
8 hearing is part of the Second Phase of the implementation of the State USF.

9

10 Q. PLEASE DESCRIBE THE INITIAL PHASE OF IMPLEMENTATION OF THE
11 STATE USF.

12

13 A. The Initial Phase (which has already taken place) was designed to implement up
14 to 33% of the total State USF, and it consisted of two steps.²⁰

15

16 The first step of the Initial Phase was a reduction in intrastate switched access rates,
17 and all ILECs were required to implement this step at the same time.²¹ BellSouth
18 participated in this first step of the Initial Phase by reducing its intrastate switched
19 access rates by an amount that removed \$22.760 million annually in implicit
20 universal service support from BellSouth's intrastate switched access rates.
21 BellSouth is recovering that amount from the State USF today.²²

22

23

24 ²⁰ Guidelines at p.7, §9; Administrative Procedures at p.5, §V.

25 ²¹ See *Id.*

²² See Order on Universal Service Fund, *In Re: Proceeding to Establish Guidelines for an Intrastate Universal Service Fund*, Order No. 2001-419 in Docket No. 97-239-C at pp. 33-34 (June 6, 2001).

1 The second step of the Initial Phase was a reduction in end user rates providing
2 implicit support for universal service.²³ No company was required to participate in
3 this second step of the Initial Phase,²⁴ and BellSouth elected not to participate in this
4 second step.

5
6 As of today, therefore, BellSouth is drawing \$22.760 million of high-cost support
7 annually from the State USF. This represents less than 15% of BellSouth's
8 company-specific portion of the fund.²⁵

9
10 Q. PLEASE DESCRIBE THE SECOND PHASE OF IMPLEMENTATION OF
11 THE STATE USF FUND.

12
13 A. The guidelines provide that "[o]n April 1 of each year, beginning in 2003, each
14 ILEC receiving USF support may file tariff reductions and request additional USF
15 support to fund the continued removal of implicit support contained in rates."²⁶
16 BellSouth's filing is a part of this second phase of implementation of the State
17 USF. The Administrative Procedures provide that

18
19 ²³ See Guidelines at p.7, §9, as modified by Order No. 2001-1088 at p. 3;
20 Administrative Procedures at p.5, §V, as modified by Order No. 2001-1088 at p. 3

21 ²⁴ Guidelines at p. 7, §9; Administrative Procedures at p.5, §V.A.2.

22 ²⁵ In addition to this high-cost support amount, BellSouth also is recovering
23 \$716,000 annually to fund Lifeline. *See* Order Reducing PTAS Rate, *In Re: Application*
24 *of BellSouth Telecommunications, Inc. for Approval of Revisions to its General*
25 *Subscriber Service Tariff and Access Service Tariff to Comply with the FCC's*
Implementation of the Pay Telephone Reclassification and Compensation Provisions of
the Telecommunications Act of 1996, Order No. 2001-1054 in Docket No. 97-124-C at p.
2 (December 4, 2001).

²⁶ Guidelines at p.7, §9. *See also* Administrative Procedures at p.6, §V.B. As I
explained above, the filing date for tariffs implementing the second phase of the State
USF was extended by Commission Order.

1 During this second phase, an ILEC may request additional state USF
2 funding in order to make reductions in tariffed rates for services
3 providing implicit support to the universal support services. ILECs
4 deemed eligible to receive SC High Cost Support may file tariffs to
5 reflect reduction(s) in tariffed intrastate rates providing implicit
6 support to universal service in South Carolina. Companies seeking
7 rate reductions shall also file detailed cost data clearly demonstrating
8 that implicit support exists in the rates that are proposed to be
9 reduced.²⁷

10
11 The Administrative Procedures also provide that this "Second Phase for
12 implementation of the SC USF shall be limited to no more than two thirds (66.67%)
13 of the total State USF, for each ILEC."²⁸ BellSouth is in compliance with this
14 requirement. The \$7.991 million that BellSouth seeks to withdraw from the State
15 USF in this proceeding, when combined with the \$22.760 million that BellSouth is
16 already withdrawing from the State USF, will result in BellSouth's withdrawing a
17 total of \$30.751 million from the fund. This is only 18% of the \$171 million that
18 represents the BellSouth-specific size of the State USF.²⁹

19
20
21
22
23 ²⁷ Administrative Procedures at p.6, §5.

24 ²⁸ Administrative Procedures at p.6, §V.B; Guidelines at p.7, §9.

25 ²⁹ If the \$716,000 in Lifeline funding that BellSouth is receiving is considered as well, BellSouth will be withdrawing a total of \$31.467 million from the State USF. This is only 18.4% of the \$171 million that represents the BellSouth-specific size of the State USF.

1 Q. IS BELLSOUTH REQUIRED TO SUBMIT UPDATED COSTS STUDIES IN
2 ORDER TO IMPLEMENT THIS CHANGE?

3

4 A. No. The Guidelines provide that "[t]he Commission-approved costs of providing
5 universal service on a per line basis for any particular LEC should remain in place
6 until such time as that LEC's State USF withdrawal exceeds one-third of its
7 company-specific State USF amount."³⁰ Even after BellSouth's proposed tariff
8 goes into effect, BellSouth's State USF withdrawal will represent less than 20% of
9 its company-specific State USF amount. BellSouth, therefore, is not required to
10 submit updated cost studies in this proceeding.

11

12 Q. DOES BELLSOUTH'S PROPOSED TARIFF COMPLY WITH THE
13 "REVENUE NEUTRAL" PROVISIONS OF THE GUIDELINES?

14

15 A. Yes. The Guidelines provide that

16

17 Effective with implementation of the USF, incumbent LECs
18 should reduce prices for intrastate services that include implicit
19 support for universal service to offset the gross amount received
20 from the USF. Such price reductions shall be designed to be
21 revenue neutral to the carrier upon implementation of the USF.³¹

22

23 As explained above and in the testimony of BellSouth witness Edward Matejick,
24 BellSouth is reducing prices for intrastate switched access services that include

25

³⁰ Guidelines at p.8, §9.

³¹ Guidelines at p. 3, §4.

1 implicit support for universal service. These reductions will reduce BellSouth's
2 revenue by \$7.991 million annually, and that is the additional amount that
3 BellSouth seeks to recover from the State USF.

4
5 **IV. CONCLUSION**
6

7 Q. WHAT IS BELL SOUTH ASKING THE COMMISSION TO DO IN THIS
8 PROCEEDING?
9

10 A. BellSouth is asking the Commission to: (1) find that the tariff BellSouth filed in
11 this docket on September 2, 2003 complies with the Commission's State USF
12 Guidelines and Administrative Procedures; (2) approve BellSouth's tariff filing of
13 September 2, 2003 with an effective date of March 1, 2004; and (3) allow
14 BellSouth to withdraw an additional \$7.991 million from the State USF.
15

16 Q. DOES THIS CONCLUDE YOUR TESTIMONY?
17

18 A. Yes.
19

20 519568
21
22
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24
25

BellSouth Telecommunications, Inc.
SCPSC Docket No. 1997-239-C
December 31, 2003
Exhibit KKB-1

***Redacted Version of BellSouth's
September 2, 2003 Filing Package***

11 Pages

September 2, 2003

The Honorable Gary E. Walsh
Executive Director
Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, South Carolina 29211

Re: Revision by BellSouth to its Access Service Tariff and request for
Universal Service Funding pursuant to Commission Order No. 2001-419 in
Docket No. 97-239-C

Dear Mr. Walsh:

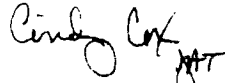
Enclosed is a tariff filing on behalf of BellSouth Telecommunications Inc. ("BellSouth") to reduce certain switched access rates in order to remove a portion of the implicit support for universal service. This filing is being made pursuant to Commission Order No. 2001-419 in Docket No. 97-239-C. As permitted in that Order, BellSouth is requesting explicit funding from the South Carolina Universal Service Fund (USF) in an amount equal to the reduction in access revenues that result from the proposed rate reduction.

Also enclosed is a summary of the tariff filing and USF request, as well as a demonstration that implicit support is contained within the switched access rates BellSouth is proposing to reduce. This demonstration complies with the requirements set forth in Commission Order No. 2001-419, that local exchange carriers seeking USF funding must "file detailed cost data clearly demonstrating that implicit support exists in the proposed reduction."

The USF administrative guidelines approved by the Commission specifies that ordinarily such requests to implement additional USF funding should be filed by April 1st for implementation by October 1st. This provides a six-month interval for review and approval by the Commission. Per Commission order, the filing date for 2003 USF requests has been extended. BellSouth respectfully requests that the Commission complete its review and render its decision within the usual six-month interval to allow implementation by March 1, 2004 (which is the effective date set forth in BellSouth's proposed tariff).

If you have any questions, please call Jim Thompson at 803-401-2215 or
Les Addis at 803-401-2216.

Yours truly,

A handwritten signature in black ink, appearing to read "Cindy Cox". The signature is fluid and cursive, with a large "C" and a stylized "X".

Vice President

EXECUTIVE SUMMARY

With this filing, BellSouth is reducing the Local Switching rate, the DS1 Facility Termination charge, and the DS1 Interoffice Channel Mileage charge. In addition, USF revenues are being increased by an increase in the USF percentage applied to the appropriate end user revenues. The tariff is to be filed on September 2, 2003 to become effective March 1, 2004.

Shown below is a comparison of the current and proposed BellSouth FGD SWA charges.

Rate Elements	Current	Proposed 3/1/04 Effective Date
Carrier Common Line		
Originating	\$0.000000	\$0.000000
Terminating	\$0.000000	\$0.000000
Transport¹		
DS1 Local Channel	\$0.000418	\$0.000418
Interconnection	\$0.000000	\$0.000000
DS1 Interoffice Channel	\$0.001791	\$0.001612
Local Switching 2	\$0.006979	\$0.002158
DS1 Direct End Office Trunk	\$0.000438	\$0.000438
Information Surcharge	\$0.000374	\$0.000374
Composite FGD		
Originating ²	\$0.010000	\$0.005000
Terminating ²	\$0.010000	\$0.005000
Total ²	\$0.020000	\$0.010000
Estimated Revenue Impacts (most recent 12 months demand)		
Switched Access Charges to IXC's		(\$6,828,850.39)
Switched Access Charges to other incumbent LECs		(\$1,288,631.00)
Total Revenue Impact		(\$8,117,481.39)

¹ The Transport rates per minute of use reflects 13.330 minutes of use per voice grade equivalent, DS1 Switched Transport and Interoffice Switched Transport of 21 miles.

² Composite rates include Carrier Common Line, DS1 Switched Transport, Interconnection, Local Switching 2 and Information Surcharge (per 100 MOU)

BellSouth

Overview

Pursuant to Order No. 2001-419 ("USF Order") adopted by the Public Service Commission of South Carolina ("Commission") in Docket No. 97-239-C on June 6, 2001, BellSouth is making this filing to receive additional funding from the State Universal Service Fund ("USF"). In that Order, the Commission stated: "Implementation of the State USF is necessary to remove implicit support from rates and make the funding explicit. This will ensure the continuation of Universal Service – i.e. the provision of basic local exchange telephone service at affordable rates, upon reasonable request – to all residential and single-line business customers in South Carolina."

As a result of prior Commission rulings regarding USF implementation, BellSouth currently receives certain explicit USF support. As explained below, the reductions submitted by BellSouth in this filing equate to the removal of \$8.117 million in implicit universal service support. When combined with BellSouth's original USF implementation of \$22.67 million, the total for these 2 steps equals \$30.787 million. This is less than 33% of BellSouth's estimated total USF requirements of \$171 million, as calculated in prior USF proceedings.

As recognized in the Commission's USF Order, "Intrastate switched access rates are priced well above cost and contain significant implicit support for basic local exchange telephone service. Access is particularly susceptible to bypass and competitive erosion." Thus BellSouth submits this filing to remove additional implicit support from intrastate switched access. If implemented, this tariff filing will more closely align BellSouth's South Carolina intrastate switched access rates with both its interstate switched access rates and with the access rates of other states in the BellSouth region. South Carolina will fall in the middle of the range with 3 states higher and 5 lower. Enclosed with this filing is documentation to demonstrate that current (as well as the proposed) rates are above cost, and that the proposed reduction will shift implicit universal service funding to explicit funding from the USF. Other documentation is being filed on a proprietary/private basis to explain the calculation of the total revenue impact of the proposed rate reductions.

BellSouth believes that the switching and interoffice transport rates set in the most recent generic cost docket for unbundled network elements (Docket No. 2001-65-C) are appropriate cost surrogates for evaluating the price floors for the rate elements of switched access that BellSouth is proposing to reduce in this proceeding. The Commission has reviewed the costs presented by BellSouth in that proceeding and has made any adjustments deemed appropriate, as reflected in Order No. 2001-1089, issued November 30, 2001. Use of these rates as cost surrogates eliminates the need for BellSouth to file additional cost support and for the Commission to review that support.

The relevant rate elements for this proceeding are:

END OFFICE SWITCHING	TELRIC Cost	Proposed Rate
End Office Switching Function (LS1/LS2). Per MOU	\$0.0010519	\$0.002158
End Office Switching Function (LS3/LS4). Per MOU	\$0.0010519	\$0.002148
INTEROFFICE TRANSPORT – DEDICATED – DS1		
Interoffice Transport – Dedicated – DS1 Facility Termination	\$77.14	\$81.00
Interoffice Transport – Dedicated – DS1 per Mile	\$ 0.3415	\$20.70
*Converted to Minutes of Use – the interoffice transport rate per minute of use rate and cost calculations reflect 13.330 minutes of use per voice grade equivalent, DS1 switched transport and interoffice switched transport of 21 miles.		
	\$0.000264	\$0.00162

These TELRIC cost surrogates reflect TELRIC economic costs¹. Thus, the forward-looking incremental direct cost has been identified and a reasonable allocation of shared and common costs has been considered. The TELRIC rates for End Office Switching elements listed above reflect costs associated with local call processing and therefore the input usage characteristics in the cost study used to derive the per minute of use TELRIC rate differ slightly from the input usage characteristics that would be used to derive the per minute of use cost for switched access.

Below is a comparison of the inputs that differ.

	UNE	SWITCHED ACCESS
Distribution of Calls		
Percent Intra-office Calls (O+T)	33.4%	0.0%
Percent Inter-office Calls	66.6%	100.0%
Busy Hour Conversion Factors		
Busy Hour to Full Day Ratio	8.75%	8.21%
Call Characteristics		
Call Completion Ratio	70.9%	71.9%
Average Non-Conversation Time per Call (Seconds)	13.28	19.06

¹ BellSouth does not support the TELRIC pricing methodology in part due to its hypothetical nature. The distortion in costs caused by the TELRIC hypothetical approach is most evident in the development of loop costs. However, with respect to switching and interoffice transport (which have to the greatest degree converted to the newer currently available technologies, i.e. digital switches and fiber) the cost studies BellSouth filed to support the switching and transport UNEs in Docket 2001-65-C are less impacted by the TELRIC methodology. Furthermore, the Commission did not make specific adjustments to the cost studies supporting these elements.

However, the primary cost drivers are the fundamental unit investments², which are identical in both studies.

The characteristics of a dedicated DS1 facility from one switch to another in BellSouth's network would not differ whether it be local or switched access.

² C IS MO cost model produces the unit investments associated with the end office switch. Fundamental studies were conducted to identify the SS² investments required for call processing. These supporting studies were filed in Docket No. 2001-05-0.

E6. BELLSOUTH SWA SERVICE

E6.8 Rates and Charges (Cont'd)

E6.8.1 BellSouth SWA Transport (Cont'd)

- A BellSouth SWA Local Channel - Per Local Channel (Cont'd)
 - a BellSouth SWA DS3 Service (Cont'd)
 - b 44.736 Mbps (Cont'd)
 - (1) Per Channel (Cont'd)

Monthly Rate		Nonrecurring Charge		USOC
SEE CURRENT PRICE LIST				
Minimum	Maximum	First	Additional	
\$1,841.00	\$2,491.00	\$870.50	\$427.88	TEFC3

- (c) Zone 3
 - a End-Office Based Private Network
 - i Local Channel
 - (1) Each

(a) Zone 1	4.00	6.00	17.93	17.93	TEFHK
(b) Zone 2	4.00	6.00	17.93	17.93	TEFHK
(c) Zone 3	4.00	6.00	17.93	17.93	TEFHK

- B Switched Interoffice Channel - BellSouth SWA Dedicated Transport
 - a BellSouth SWA VG

Facility Termination Monthly Rate		Monthly Rate Per Mile			
SEE CURRENT PRICE LIST				Nonrecurring	
Min.	Max.	Min.	Max.	Charge	USOC
\$15.30	\$23.30	\$1.90	\$2.60	\$79.85	1LSNF
15.30	23.30	1.90	2.60	79.85	1LSNF
15.30	23.30	1.90	2.60	79.85	1LSNF

- 2 BellSouth SWA DS0 - 56/64 Kbps

(a) Zone 1	33.00	45.00	3.00	5.00	24.01	1LSNK
(b) Zone 2	33.00	45.00	3.00	5.00	24.01	1LSNK
(c) Zone 3	33.00	45.00	3.00	5.00	24.01	1LSNK

- 3 BellSouth SWA DS1 - 1.544 Mbps

Facility Termination	Monthly Rate	Nonrecurring	USOC
Monthly Rate	Per Mile	Charge	
\$81.00	\$20.70	\$100.49	1LSNL
81.00	20.70	100.49	1LSNL
81.00	20.70	100.49	1LSNL

- 4 BellSouth SWA DS3 - 44.736 Mbps SWA VG

Facility Termination		Monthly Rate			
Monthly Rate		Per Mile			
SEE CURRENT PRICE LIST				Nonrecurring	
Min.	Max.	Min.	Max.	Charge	USOC
\$1,310.00	\$1,773.00	\$185.00	\$285.00	\$67.19	1LSNM
1,310.00	1,773.00	185.00	285.00	67.19	1LSNM
1,310.00	1,773.00	185.00	285.00	67.19	1LSNM

Note 1 For use with a purchased Switched Expanded Interconnection Arrangement from BellSouth Telecommunications, Inc., Tariff F.C.C. No. 1

E6. BELLSOUTH SWA SERVICE

E6.8 Rates and Charges (Cont'd)

E6.8.3 Local Switching

A. Local Switching Rates and Optional Features Per Access Minute

	Rate	USOC	
(a) LS1 - BellSouth SWA FGA and BellSouth SWA FGB	\$.002158	NA	FGA
(b) LS2 - BellSouth SWA FGC and BellSouth SWA FGD	.002158	NA	FGC
(c) LS3 - BellSouth SWA LSBSA and BellSouth SWA TSBSA 1	.002148	NA	FS
(d) LS4 - BellSouth SWA TSBSA 2 and TSBSA 3	.002148	NA	
Common Trunk Port Service			
(a) Per Access Minute of Use	.000800	NA	
Dedicated End Office Trunk Port Service			

	Monthly Rate	TDE0P	TDE1P
(a) Per dedicated DS0 VCI trunk port required	\$9.47		
(b) Per dedicated DS1 trunk port required	139.98		
Common Switching Optional Features (BellSouth SWA FG Customers Only)			
a. Hunt Group Arrangement, available with BellSouth SWA FGA			
Per Transmission Path Group			
b. Uniform Call Distribution Arrangement, available with BellSouth SWA FGA			
Per Transmission Path Group			
c. Nonhunting Numbers for use with Hunt Group Arrangements or U.C.D. Arrangement available with BellSouth SWA FGA			
Per Transmission Path			
d. Automatic Number Identification /Charge Number available with BellSouth SWA FGB, BellSouth SWA FGC and BellSouth SWA FGD			
Per Transmission Path Group			
Common Switching (BellSouth SWA FG and BellSouth SWA Basic Serving Arrangement Customers)			
a. Call denial on line or hunt group, available with BellSouth SWA FGA			
Per Transmission Path or Transmission Path Group			
Service Code Denial on line or hunt group, available with BellSouth SWA FGA			
Per Transmission Path or Transmission Path Group			
Up to 7 Digit Outpulsing of Access Digits to IC, available with BellSouth SWA FGB			
Per Transmission Path Group			
b. Revertive Pulse Address Signaling, available with BellSouth SWA FGC			
Per Transmission Path Group			
c. Delay Dial Start-Pulsing Signaling, available with BellSouth SWA FGC			
Per Transmission Path Group			
d. Immediate Dial Pulse Address Signaling, available with BellSouth SWA FGC			
Per Transmission Path Group			
e. Dial Pulse Address Signaling, available with BellSouth SWA FGC			
Per Transmission Path Group			
f. Service Class Routing, available with BellSouth SWA FGC and BellSouth SWA FGD			
Per End Office and Access Tandem			

Note 1: These Common Switching Optional Features are not available for BellSouth SWA Basic Serving Arrangement. See E6.8.3.A.4 for the appropriate BSE.

Note 2: Charge Number is applicable only to BellSouth SWA FGD.

Note 3: References to BellSouth SWA FGS will also include the applicable BellSouth SWA Basic Serving Arrangement as detailed in the matrix of E6.1.3.2.

EFFECTIVE: March 1, 2004

E6. BELLSOUTH SWA SERVICE PRICE LIST

E6.8 Rates and Charges (Cont'd)

E6.8.1 BellSouth SWA Transport (Cont'd)

B Switched Interoffice Channel - BellSouth SWA Dedicated Transport (Cont'd)

2 BellSouth SWA DS0 - 56.64 Kbps - Per Interoffice Channel

	<u>Facility Termination Monthly Rate</u>	<u>Monthly Rate Per Mile</u>	<u>USOC</u>
(a) Zone 1	\$ 38.37	\$ 3.95	1L5NK
(b) Zone 2	38.37	3.95	1L5NK
(c) Zone 3	38.37	3.95	1L5NK

3 (DELETED) (See E6.8.1.B.3 in the Access Services Tariff for rates.)

4 BellSouth SWA DS3 - 44.736 Mbps - Per Interoffice Channel

(a) Zone 1	\$1,200.00	\$175.00	1L5NM
(b) Zone 2	1,200.00	175.00	1L5NM
(c) Zone 3	1,200.00	175.00	1L5NM

C Switched Interoffice Channel - BellSouth SWA Common Transport

1 Per Mile

	<u>Rates Per Access Minute</u>	<u>USOC</u>
(a) Zone 1	\$.00004	NA
(b) Zone 2	.00004	NA
(c) Zone 3	.00004	NA

2 Facilities Termination

(a) Zone 1	\$.00036	NA
(b) Zone 2	.00036	NA
(c) Zone 3	.00036	NA

SOUTH CAROLINA
Intrastate Switched Access Rate Reductions
July 2002 Through June 2003 Data

Description	Demand	Present Rate	Proposed Rate	Present Annual Revenue	Proposed Annual Revenue	Revenue Change
Local Switching 1 - Premium	[REDACTED]	\$ 0.006979	\$ 0.002158	[REDACTED]	[REDACTED]	[REDACTED]
Local Switching 2 - Premium	[REDACTED]	\$ 0.006979	\$ 0.002158	[REDACTED]	[REDACTED]	[REDACTED]
Local Switching 3 - Premium	[REDACTED]	\$ 0.006770	\$ 0.002148	[REDACTED]	[REDACTED]	[REDACTED]
Local Switching 4 - Premium	[REDACTED]	\$ 0.006770	\$ 0.002148	[REDACTED]	[REDACTED]	[REDACTED]
Dedicated Switched FOC - DS1 Zone 1*	[REDACTED]	\$ 90.00	\$ 81.00	[REDACTED]	[REDACTED]	[REDACTED]
Dedicated Switched FOC - DS1 Zone 2*	[REDACTED]	\$ 90.00	\$ 81.00	[REDACTED]	[REDACTED]	[REDACTED]
Dedicated Switched FOC - DS1 Zone 3*	[REDACTED]	\$ 90.00	\$ 81.00	[REDACTED]	[REDACTED]	[REDACTED]
Dedicated Switched FOM - DS1 Zone 1*	[REDACTED]	\$ 23.00	\$ 20.70	[REDACTED]	[REDACTED]	[REDACTED]
Dedicated Switched FOM - DS1 Zone 2*	[REDACTED]	\$ 23.00	\$ 20.70	[REDACTED]	[REDACTED]	[REDACTED]
Dedicated Switched FOM - DS1 Zone 3*	[REDACTED]	\$ 23.00	\$ 20.70	[REDACTED]	[REDACTED]	[REDACTED]
TOTAL REVENUE IMPACT						\$ (6,828,850.39)

* The equivalent composite rates/month for the DS1 Interoffice Transport elements are as follows: Present \$ 001791, Proposed \$ 001612

W.A. Bell Settlement

DATE: 03/01/03
 BASE: Data reflects MAR THRU JUN '03 AVERAGE

Annualized ICO Payments to BST									
Company	ICO ORP Payments to BST (excludes transit) @ Intrastate Rate	ICO ACS Payments to BST (excludes transit) @ Intrastate Rate	Total ICO Payments to BST for ORP & ACS @ Intrastate Rate	ICO ORP Payments to BST (excludes transit) @ Interstate Rate	ICO ACS Payments to BST (excludes transit) @ Interstate Rate	Total ICO Payments to BST for ORP & ACS @ Interstate Rate	Annualized Total Reduction in Settlement Revenues to BST ORP & ACS @ Interstate Rates		
SC ALLTEL									
SC BLUFFTON									
SC HARGRAY									
SC CHESNEE									
SC MCCLELLANVILLE									
SC ST STEPHEN									
SC NORWAY									
SC WILLISTON									
SC PALMETTO									
SC PIEDMONT									
SC POND BRANCH									
SC SANDHILL									
SC WEST CAROLINA									
SC CHESTER									
SC LOCKHART									
SC RIDGEWAY									
SC FARMERS									
SC Verizon - GTE									
SC Verizon - CONTEL									
SC HOME									
SC HORRY									
SC Sprint - UNITED									
TOTALS			\$2,245,263			\$956,631		\$1,288,631	

PRIVATE/PROPRIETARY: DISCLOSURE OUTSIDE BELLSOUTH BY WRITTEN AGREEMENT ONLY

Composite Switched Access Rates

(per Originating + Terminating MOU)

Intrastate	
Florida	\$ 0.045312
South Carolina (Current)	\$ 0.020000
Louisiana	\$ 0.017024
Alabama	\$ 0.015340
South Carolina (Proposed)	\$ 0.010000
Mississippi	\$ 0.009508
Tennessee	\$ 0.009208
North Carolina	\$ 0.009040
Kentucky	\$ 0.008328
Georgia	\$ 0.008284
Interstate	
	\$ 0.008328

The transport rates per minute of use reflects 13,330 minutes of use per voice grade equivalent, DS1 Switched Transport and Interoffice Switched Transport of 21 miles.

Composite rates includes Carrier Common Line, Average PICC rate, Average Incremental SLC rate, Average Federal Universal Service rate, DS1 Switched Transport, Interconnection,

When switched access zone rates are in effect, Zone 1 rates are shown.

(#519879)

WIRE CENTER LEVEL DATA															
		Non-recurring Rev													
Company:		BellSouth		Res		Bus		SL SLC		ML SLC					
Study Area:		South Carolina		\$ 1.50		\$ 1.24		\$ 3.50		\$ 6.97					

WIRE CENTER LEVEL DATA																								
Company:		BellSouth		Non-recurring Rev																				
Study Area:		South Carolina		\$	1 50	\$	1 24	\$	3 50	\$	6 97													
WC	Exchange	Exchange										\$ 31.00 \$ 51.00												
CLLI code	CLLI	Name	RG	Res FR Rev	Bus FR Rev	Res SLC	Bus SLC	No. of Lines	Residential	1FB	BCPM 3.1	Federal Support/Ln - BCPM	State Support/Ln - BCPM	Total Support/Ln - BCPM	Res	Bus	Res	Bus						
GNVLSGDT	GNVLSG	GREENVILLE	7	\$ 17.90	\$ 44.99	\$ 3.50	\$ 6.57	27,261	12,944		\$26.30	\$0.00	\$0.00	\$4.90	\$0.00	\$0.00	\$4.90	\$0.00						
GNVLSGWE	GNVLSG	GREENVILLE	7	\$ 17.90	\$ 44.99	\$ 3.50	\$ 6.24	12,530	2,556		\$37.14	\$1.54	\$0.00	\$14.20	\$0.00	\$0.00	\$15.74	\$0.00						
GNVLSGWP	GNVLSG	GREENVILLE	7	\$ 17.90	\$ 44.99	\$ 3.50	\$ 5.48	3,054	170		\$50.67	\$7.17	\$2.17	\$31.10	\$7.03	\$0.00	\$38.27	\$9.29						
GNVLSGWR	GNVLSG	GREENVILLE	7	\$ 17.90	\$ 44.99	\$ 3.50	\$ 6.73	20,408	9,411		\$27.56	\$0.00	\$0.00	\$6.16	\$0.00	\$0.00	\$6.16	\$0.00						
GRERSGMA	GRERSG	GREER	7	\$ 17.90	\$ 44.99	\$ 3.50	\$ 6.38	15,476	4,013		\$35.16	\$1.04	\$0.00	\$12.72	\$0.00	\$0.00	\$13.76	\$0.00						
HCGVSCMA	HCGVSC	HICKORY GROVE	2	\$ 15.65	\$ 36.49	\$ 3.50	\$ 4.74	800	56		\$85.24	\$13.56	\$8.56	\$52.53	\$35.45	\$66.09	\$44.01	\$0.00						
HNPVSCMA	HNPVSC	HONEA PATH	5	\$ 17.00	\$ 41.59	\$ 3.50	\$ 5.37	2,922	274		\$48.82	\$4.48	\$0.00	\$23.86	\$1.86	\$0.00	\$28.32	\$1.86						
HTVLSCMA	HTVLSC	HARTSVILLE	5	\$ 17.00	\$ 41.59	\$ 3.50	\$ 6.02	11,625	1,881		\$44.97	\$3.49	\$0.00	\$20.98	\$0.00	\$0.00	\$24.47	\$0.00						
ISPLSCIS	ISPLSC	SULLIVANS ISLAND	7	\$ 17.90	\$ 44.99	\$ 3.50	\$ 6.14	4,909	503		\$30.72	\$0.00	\$0.00	\$9.32	\$0.00	\$0.00	\$9.32	\$0.00						
JHTNSGMA	JHTNSG	JOHNSTON	2	\$ 15.65	\$ 36.49	\$ 3.50	\$ 5.55	2,469	353		\$63.57	\$8.14	\$3.14	\$36.28	\$18.39	\$44.42	\$21.53	\$0.00						
JNVLSGMA	JNVLSG	JOHNSVILLE	2	\$ 15.65	\$ 36.49	\$ 3.50	\$ 5.42	1,502	125		\$88.89	\$14.47	\$9.47	\$55.27	\$37.51	\$69.74	\$46.98	\$0.00						
JOHNSCES	JOHNSG	JOANNA	2	\$ 15.65	\$ 36.49	\$ 3.50	\$ 4.95	1,071	74		\$57.40	\$6.60	\$1.60	\$31.85	\$14.36	\$38.25	\$15.96	\$0.00						
LATTSCLS	LATTSCL	LATTA	2	\$ 15.65	\$ 36.49	\$ 3.50	\$ 5.44	1,917	213		\$60.91	\$7.48	\$2.48	\$34.28	\$16.50	\$41.76	\$18.98	\$0.00						
LBRTSGMA	LBRTSC	LIBERTY	4	\$ 15.65	\$ 39.89	\$ 3.50	\$ 5.80	3,017	324		\$43.29	\$3.07	\$0.00	\$20.17	\$0.00	\$23.24	\$0.00	\$0.00						
LKVVSCMA	LKVVSC	LAKE VIEW	2	\$ 15.65	\$ 36.49	\$ 3.50	\$ 5.01	985	101		\$92.69	\$15.42	\$10.42	\$58.12	\$40.77	\$73.54	\$51.19	\$0.00						
LKWLSCRS	LKWLSC	LAKE WYLIE WEST	5	\$ 17.00	\$ 41.59	\$ 3.50	\$ 6.19	3,949	556		\$42.51	\$2.88	\$0.00	\$19.13	\$0.00	\$22.01	\$0.00	\$0.00						
LYMNSCES	LYMNSG	LYMAN	6	\$ 17.45	\$ 43.29	\$ 3.50	\$ 6.04	6,368	778		\$40.17	\$2.29	\$0.00	\$16.93	\$0.00	\$19.22	\$0.00	\$0.00						
LYMNSGIP	LYMNSG	LYMAN	6	\$ 17.45	\$ 43.29	\$ 3.50	\$ 6.59	1,995	595		\$33.29	\$0.57	\$0.00	\$11.77	\$0.00	\$12.34	\$0.00	\$0.00						
MARNSCBN	MARNSC	MARION	5	\$ 17.00	\$ 41.59	\$ 3.50	\$ 4.66	1,050	60		\$114.09	\$20.77	\$15.77	\$72.82	\$52.07	\$63.59	\$67.84	\$0.00						
MARNSCMA	MARNSC	MARION	5	\$ 17.00	\$ 41.59	\$ 3.50	\$ 5.99	5,857	1,047		\$47.78	\$4.20	\$0.00	\$23.08	\$0.20	\$23.28	\$0.20	\$0.00						
MCCLSGMA	MCCLSG	MCCOLL	2	\$ 15.65	\$ 36.49	\$ 3.50	\$ 5.09	1,282	122		\$58.78	\$6.95	\$1.95	\$32.68	\$15.25	\$39.63	\$17.20	\$0.00						
MLNNSGWP	MLNNSG	MULLINS	5	\$ 17.00	\$ 41.59	\$ 3.50	\$ 5.66	4,774	698		\$43.59	\$3.15	\$0.00	\$19.94	\$0.00	\$23.09	\$0.00	\$0.00						
MNPLSCES	MNPLSC	MT PLEASANT	7	\$ 17.90	\$ 44.99	\$ 3.50	\$ 6.37	20,358	4,420		\$29.32	\$0.00	\$0.00	\$7.92	\$0.00	\$7.92	\$0.00	\$0.00						
MRTTSCMA	MRTTSC	TRAVELERS REST	7	\$ 17.90	\$ 44.99	\$ 3.50	\$ 5.25	3,717	224		\$65.01	\$8.50	\$3.50	\$35.11	\$11.27	\$43.61	\$14.77	\$0.00						
NAGSSGMA	NAGSSG	NORTH AUGUSTA	7	\$ 17.90	\$ 44.99	\$ 3.50	\$ 6.26	14,530	2,205		\$35.09	\$1.02	\$0.00	\$12.67	\$0.00	\$13.69	\$0.00	\$0.00						
NWBYSCMA	NWBYSC	NEWBERRY	3	\$ 16.10	\$ 38.19	\$ 3.50	\$ 6.07	7,793	1,607		\$48.94	\$4.49	\$0.00	\$24.85	\$4.68	\$29.34	\$4.68	\$0.00						
NWELSCMA	NWELSC	NEW ELLENTON	4	\$ 16.55	\$ 39.89	\$ 3.50	\$ 5.80	2,176	268		\$50.28	\$4.82	\$0.00	\$25.41	\$4.59	\$30.23	\$4.59	\$0.00						
ORBGSCEA	ORBGSCE	ORANGEBURG	4	\$ 16.55	\$ 39.89	\$ 3.50	\$ 6.12	19,448	3,505		\$40.11	\$2.28	\$0.00	\$17.78	\$0.00	\$20.06	\$0.00	\$0.00						
PCKNSCES	PCKNSG	PICKENS	4	\$ 16.55	\$ 39.89	\$ 3.50	\$ 5.94	6,557	890		\$47.48	\$4.12	\$0.00	\$23.31	\$1.65	\$27.43	\$1.65	\$0.00						
PCLTSCES	PCLTSC	PACOLET	5	\$ 17.00	\$ 41.59	\$ 3.50	\$ 5.59	2,125	188		\$46.61	\$3.90	\$0.00	\$22.21	\$0.00	\$26.11	\$0.00	\$0.00						
PDMTSCES	PDMTSC	PIEDMONT	7	\$ 17.90	\$ 44.99	\$ 3.50	\$ 5.47	3,088	233		\$28.10	\$0.00	\$0.00	\$6.70	\$0.00	\$6.70	\$0.00	\$0.00						
PNTNSGMA	PNTNSG	PENDLETON	5	\$ 17.00	\$ 41.59	\$ 3.50	\$ 5.65	2,652	375		\$43.27	\$3.07	\$0.00	\$19.70	\$0.00	\$22.77	\$0.00	\$0.00						
PRRSRSCMA	PRRSRSC	PROSPERITY	2	\$ 15.65	\$ 36.49	\$ 3.50	\$ 5.65	2,891	290		\$66.13	\$8.78	\$3.78	\$38.20	\$20.21	\$46.98	\$23.99	\$0.00						
SALMSCMA	SALMSC	SALEM	3	\$ 16.10	\$ 38.19	\$ 3.50	\$ 5.77	2,925	168		\$61.31	\$7.58	\$2.58	\$34.13	\$14.77	\$41.71	\$17.35	\$0.00						
SBRKSCSK	SBRKSC	CHARLESTON	7	\$ 17.90	\$ 44.99	\$ 3.50	\$ 6.54	4,337	487		\$38.54	\$1.89	\$0.00	\$15.25	\$0.00	\$17.14	\$0.00	\$0.00						
SCHLSCES	SCHLSC	SOCIETY HILL	5	\$ 17.00	\$ 41.59	\$ 3.50	\$ 6.23	673	127		\$85.72	\$13.68	\$8.68	\$51.54	\$29.22	\$65.22	\$37.90	\$0.00						
SENCSCMA	SENCSC	SENECA	4	\$ 16.55	\$ 39.89	\$ 3.50	\$ 6.03	9,330	1,879		\$37.84	\$1.71	\$0.00	\$16.08	\$0.00	\$17.79	\$0.00	\$0.00						
SHRNSCMA	SHRNSC	SHARON	2	\$ 15.65	\$ 36.49	\$ 3.50	\$ 4.41	670	42		\$88.82	\$14.46	\$9.46	\$55.21	\$38.46	\$69.67	\$47.92	\$0.00						
SPBGSCBS	SPBGSC	SPARTANBURG	6	\$ 17.45	\$ 43.29	\$ 3.50	\$ 5.97	8,977	1,054		\$34.78	\$0.95	\$0.00	\$12.88	\$0.00	\$13.83	\$0.00	\$0.00						
SPBGSCCV	SPBGSC	SPARTANBURG	6	\$ 17.45	\$ 43.29	\$ 3.50	\$ 6.16	4,510	533		\$39.12	\$2.03	\$0.00	\$16.14	\$0.00	\$18.17	\$0.00	\$0.00						
SPBGSCCHW	SPBGSC	SPARTANBURG	6	\$ 17.45	\$ 43.29	\$ 3.50	\$ 6.30	1,213	354		\$35.47	\$1.12	\$0.00	\$13.40	\$0.00	\$14.52	\$0.00	\$0.00						
SPBGSCMA	SPBGSC	SPARTANBURG	6	\$ 17.45	\$ 43.29	\$ 3.50	\$ 6.36	22,814	6,873		\$31.04	\$0.01	\$0.00	\$10.08	\$0.00	\$10.09	\$0.00	\$0.00						
SPBGSCWV	SPBGSC	SPARTANBURG	6	\$ 17.45	\$ 43.29	\$ 3.50	\$ 6.43	16,190	3,874		\$33.72	\$0.68	\$0.00	\$12.09	\$0.00	\$12.77	\$0.00	\$0.00						
SPFDSCMA	SPFDSC	SPRINGFIELD-SALLEY	1	\$ 15.20	\$ 34.79	\$ 3.50	\$ 5.07	938	75		\$82.31	\$12.83	\$7.83	\$50.78	\$34.62	\$63.61	\$42.45	\$0.00						
STGRSCMA	STGRSC	ST GEORGE	1	\$ 15.20	\$ 34.79	\$ 3.50	\$ 5.80	3,485	567		\$62.87	\$7.97	\$2.97	\$36.20	\$19.31	\$44.17	\$22.28	\$0.00						
SUVLSCMA	SUVLSC	SUMMERVILLE	7	\$ 17.90	\$ 44.99	\$ 3.50	\$ 6.10	30,363	4,133		\$34.65	\$0.91	\$0.00	\$12.34	\$0.00	\$13.25	\$0.00	\$0.00						
SXMLSMA	SXMLSC	SIX MILE	4	\$ 16.55	\$ 39.89	\$ 3.50	\$ 4.64	2,614	91		\$62.72	\$7.93	\$2.93	\$34.74	\$15.26	\$42.67	\$18.19	\$0.00						
TKNASGCT	TKNASG	SENECA	4	\$ 16.55	\$ 39.89	\$ 3.50	\$ 5.55	2,755	154		\$56.49	\$6.37	\$1.37	\$30.07	\$9.68	\$36.44	\$11.05	\$0.00						
TMVLSCMA	TMVLSC	TIMMONSVILLE	5	\$ 17.00	\$ 41.59	\$ 3.50	\$ 5.32	3,232	314		\$55.16	\$6.04	\$1.04	\$28.62	\$7.21	\$34.66	\$8.25	\$0.00						
TRRSSGMA	TRRSSG	TRAVELERS REST	7	\$ 17.90	\$ 44.99	\$ 3.50	\$ 5.97	5,309	770		\$42.01	\$2.75	\$0.00	\$17.86	\$0.00	\$20.61	\$0.00	\$0.00						
UNINSCMA	UNINSC	UNION	2	\$ 15.65	\$ 36.49	\$ 3.50	\$ 6.03	8,873	1,310		\$48.58	\$4.40	\$0.00	\$25.03	\$6.06	\$29.43	\$6.06	\$0.00						
WCLMSCMA	WCLMSC	COLUMBIA	7	\$ 17.90	\$ 44.99	\$ 3.50	\$ 6.84	114	543		\$20.17	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00						
WHITMSCMA	WHITMSC	WHITMIRE	2	\$ 15.65	\$ 36.49	\$ 3.50	\$ 5.65	1,422	137		\$58.55	\$6.89	\$1.89	\$32.51	\$14.52	\$39.40	\$16.41	\$0.00						
WLHLSCES	WLHLSC	WALHALLA	3	\$ 16.10	\$ 38.19	\$ 3.50	\$ 5.64	5,630	625		\$52.83	\$5.46	\$0.46	\$27.77	\$8.54	\$33.23	\$9.00	\$0.00						
WMNSCES	WMNSG	WESTMINSTER	3	\$ 16.10	\$ 38.19	\$ 3.50	\$ 5.65	4,285	397		\$62.25	\$7.81	\$2.81	\$34.84	\$15.60	\$42.65	\$18.41	\$0.00						
WMTNSCPW	WMTNSC	WILLIAMSTON	5	\$ 17.00	\$ 41.59	\$ 3.50	\$ 5.56	6,431	521		\$47.10	\$4.03	\$0.00	\$22.57	\$0.00	\$26.60	\$0.00	\$0.00						
YORKSCMA	YORKSC	YORK	5	\$ 17.00	\$ 41.59	\$ 3.50	\$ 6.03	6,831	947		\$46.53	\$3.88	\$0.00	\$22.15	\$0.00	\$26.03	\$0.00	\$0.00						
				\$ 17.30	\$ 43.49	\$ 3.50	\$ 6.32	937,030	199,071		\$37.07	\$1.80	\$0.05	\$15.01	\$0.95	\$16.81	\$1.00	\$0.00						

WIRE CENTER LEVEL DATA									
Company:		BellSouth							
Study Area:		South Carolina							
WC	Exchange	Exchange	RG	Tot Annual Fed Support - BCPM		Tot Annual State Support - BCPM		Tot Annual Support - BCPM	
CLLI code	CLLI	Name		Res	Bus	Res	Bus	Res & Bus	
AKNSCMA	AIKNSC	AIKEN	5	\$472,993	\$0	\$4,397,756	\$0	\$4,870,749	
ALDLSOMA	ALDLS	ALLENDAL	2	\$196,365	\$3,185	\$917,568	\$69,474	\$1,186,592	
ARSNSCAH	ARSNSC	ANDERSON	5	\$278,215	\$301	\$1,394,652	\$13,618	\$1,686,786	
ARSNSCMA	ARSNSC	ANDERSON	5	\$516,320	\$0	\$5,161,897	\$0	\$5,678,217	
ARSNSCTV	ARSNSC	ANDERSON	5	\$215,890	\$2,124	\$1,207,043	\$18,861	\$1,443,918	
BATHSCMA	BATHSC	BATH	7	\$171,998	\$0	\$1,125,922	\$0	\$1,297,920	
BAVLSCMA	BAVLSC	BLACKVILLE	2	\$130,378	\$2,447	\$581,949	\$40,437	\$755,211	
BETNSCMA	BETNSC	BELTON	5	\$251,687	\$0	\$1,338,440	\$10,506	\$1,600,633	
BEVLSOMA	BEVLS	BENNETTSVILLE	2	\$128,375	\$0	\$1,270,345	\$0	\$1,398,720	
BHSSCMA	BHSSC	BEECH ISLAND	7	\$126,328	\$527	\$641,055	\$4,916	\$772,826	
BLBGSCMA	BLBGSC	BLACKSBURG	3	\$194,854	\$1,598	\$976,029	\$46,442	\$1,218,923	
BLNHSCMA	BLNHSC	BLENNHEIM	2	\$170,112	\$3,888	\$573,331	\$50,439	\$797,770	
BLRGSCMA	BLRGSC	BLUE RIDGE	7	\$238,988	\$0	\$1,497,553	\$12,435	\$1,748,976	
BMBRSCMA	BMBRSC	BAMBERG	4	\$167,265	\$1,402	\$869,335	\$41,157	\$1,079,159	
BRWLSCBE	BRWLSC	BARNWELL	2	\$313,543	\$3,129	\$1,537,017	\$120,861	\$1,974,550	
BTBGSCMA	BTBGSC	BATESBURG	2	\$413,910	\$4,290	\$2,030,160	\$109,585	\$2,557,945	
CENTSCWS	CENTSC	CENTRAL	4	\$98,946	\$0	\$617,971	\$0	\$716,917	
CHAPSCCL	CHAPSC	CHAPIN-LT. MTN. SOUTH	7	\$302,017	\$1,616	\$1,902,980	\$15,836	\$2,222,249	
CHRWSCES	CHRWSC	CHERAW	2	\$345,197	\$1,282	\$1,793,872	\$123,582	\$2,263,933	
CHTNSCDP	CHTNSC	CHARLESTON	7	\$0	\$0	\$2,629,892	\$0	\$2,629,892	
CHTNSCDT	CHTNSC	CHARLESTON	7	\$0	\$0	\$161,142	\$0	\$161,142	
CHTNSCJM	CHTNSC	CHARLESTON	7	\$0	\$0	\$1,348,351	\$0	\$1,348,351	
CHTNSCJN	CHTNSC	CHARLESTON	7	\$167,102	\$0	\$1,184,869	\$0	\$1,351,771	
CHTNSCLB	CHTNSC	CHARLESTON	7	\$0	\$0	\$1,011,413	\$0	\$1,011,413	
CHTNSCNO	CHTNSC	CHARLESTON	7	\$0	\$0	\$1,017,075	\$0	\$1,017,075	
CHTNSCWA	CHTNSC	CHARLESTON	7	\$0	\$0	\$2,600,660	\$0	\$2,600,660	
CLIOSOMA	CLIOSC	CLIO	2	\$107,706	\$3,084	\$450,444	\$24,083	\$585,317	
CLMASCAR	CLMASC	COLUMBIA	7	\$213,278	\$0	\$2,652,776	\$0	\$2,866,054	
CLMASCBQ	CLMASC	COLUMBIA	7	\$0	\$0	\$0	\$0	\$0	
CLMASCCB	CLMASC	COLUMBIA	7	\$0	\$0	\$2,063,896	\$0	\$2,063,896	
CLMASCCF	CLMASC	COLUMBIA	7	\$47,114	\$0	\$1,812,458	\$0	\$1,859,572	
CLMASCPA	CLMASC	COLUMBIA	7	\$0	\$0	\$0	\$0	\$0	
CLMASCSA	CLMASC	COLUMBIA	7	\$0	\$0	\$891,816	\$0	\$891,816	
CLMASCSB	CLMASC	COLUMBIA	7	\$194,668	\$0	\$1,379,882	\$0	\$1,574,550	
CLMASCSH	CLMASC	COLUMBIA	7	\$277,869	\$0	\$2,640,368	\$0	\$2,918,237	
CLMASCSN	CLMASC	COLUMBIA	7	\$0	\$0	\$709,140	\$0	\$709,140	
CLMASCSU	CLMASC	COLUMBIA	7	\$0	\$0	\$1,722,352	\$0	\$1,722,352	
CLMASCSW	CLMASC	COLUMBIA	7	\$98,750	\$0	\$2,917,087	\$0	\$3,015,837	
CLNSCMA	CLNSC	CLEMSON	4	\$0	\$0	\$570,483	\$0	\$570,483	
CLTNSCMA	CLTNSC	CLINTON	3	\$148,279	\$0	\$1,139,243	\$0	\$1,287,522	
CLVRSCES	CLVRSC	CLOVER	5	\$235,727	\$0	\$1,331,577	\$12,537	\$1,579,841	
CMDNSCLG	CMDNSC	CAMDEN	3	\$274,788	\$0	\$1,966,776	\$37,341	\$2,278,905	
CMDNSCMA	CMDNSC	CAMDEN	3	\$635,105	\$801	\$3,316,937	\$138,109	\$4,090,952	
CWPNSCMA	CWPNSC	COWPENS	5	\$55,070	\$0	\$540,480	\$0	\$595,550	
DLNLSOMA	DLNLS	DILLON	2	\$228,417	\$0	\$1,624,517	\$19,184	\$1,872,118	
DNMKSCES	DNMKSC	DENMARK	2	\$128,200	\$0	\$694,345	\$33,709	\$858,254	
DRTNSCMA	DRTNSC	DARLINGTON	5	\$399,162	\$0	\$2,334,231	\$0	\$2,733,393	
EDBHSOMA	EDBHS	EDISTO ISLAND	1	\$33,378	\$132	\$719,650	\$22,271	\$775,431	
EDFDSOMA	EDFDS	EDGEFIELD	1	\$224,378	\$4,568	\$1,071,930	\$110,006	\$1,410,882	
EOVRSOMA	EOVRSC	EASTOVER	7	\$198,887	\$3,091	\$950,058	\$24,913	\$1,176,949	
ESLSYOMA	ESLSYC	EASLEY	7	\$360,800	\$0	\$3,111,077	\$0	\$3,471,677	
FLBHSOMA	FLBHS	FOLLY BEACH	7	\$10,526	\$0	\$266,868	\$0	\$277,394	
FLRNSOMA	FLRNSC	FLORENCE	6	\$48,260	\$0	\$3,961,304	\$0	\$4,009,564	
FNINSCE	FNINS	FOUNTAIN INN	7	\$171,844	\$0	\$1,240,939	\$0	\$1,412,783	
FNVLSCMA	FNVLSC	SPARTANBURG	6	\$90,878	\$0	\$595,651	\$0	\$686,329	
GFNYSCMA	GFNYSC	GAFFNEY	3	\$563,637	\$0	\$3,467,692	\$30,804	\$4,062,133	
GIVLSOMA	GIVLSC	GRANITEVILLE	5	\$187,488	\$0	\$1,055,089	\$0	\$1,242,577	
GNVLSOMA	GNVLS	GREENVILLE	7	\$136,731	\$0	\$1,518,559	\$0	\$1,655,290	
GNVLSOCH	GNVLS	GREENVILLE	7	\$50,441	\$0	\$2,838,486	\$0	\$2,888,927	
GNVLSCCR	GNVLS	GREENVILLE	7	\$110,936	\$0	\$1,505,564	\$0	\$1,616,500	

WIRE CENTER LEVEL DATA										
Company:		BellSouth								
Study Area:		South Carolina								
WC	Exchange	Exchange	RG	Tot Annual Fed Support - BCPM		Tot Annual State Support - BCPM		Tot Annual Support - BCPM		
CLLI code	CLLI	Name		Res	Bus	Res	Bus	Res & Bus		
GNVLSCDT	GNVLS	GREENVILLE	7	\$0	\$0	\$1,602,947	\$0	\$1,602,947		\$1,602,947
GNVLSWE	GNVLS	GREENVILLE	7	\$231,554	\$0	\$2,135,112	\$0	\$2,366,666		\$2,366,666
GNVLSQWP	GNVLS	GREENVILLE	7	\$232,222	\$1,901	\$1,139,753	\$14,341	\$1,398,217		\$1,398,217
GNVLSQWR	GNVLS	GREENVILLE	7	\$0	\$0	\$1,508,559	\$0	\$1,508,559		\$1,508,559
GRERSQMA	GRERS	GREER	7	\$166,908	\$0	\$2,362,257	\$0	\$2,529,165		\$2,529,165
HCGVSCMA	HCGVSC	HICKORY GROVE	2	\$110,650	\$3,698	\$504,288	\$23,822	\$642,458		\$642,458
HNPSCMA	HNPSC	HONEA PATH	5	\$148,484	\$0	\$836,627	\$6,116	\$991,207		\$991,207
HTVLSQMA	HTVLS	HARTSVILLE	5	\$470,899	\$0	\$2,926,710	\$0	\$3,397,609		\$3,397,609
ISPLSCIS	ISPLSC	SULLIVANS ISLAND	7	\$0	\$0	\$549,023	\$0	\$549,023		\$549,023
JHTNSQMA	JHTNS	JOHNSTON	2	\$223,394	\$5,426	\$1,074,904	\$77,900	\$1,381,624		\$1,381,624
JNVLSQMA	JNVLS	JONESVILLE	2	\$260,807	\$6,364	\$996,186	\$56,265	\$1,319,622		\$1,319,622
JONNSCES	JONNS	JOANNA	2	\$82,368	\$826	\$406,766	\$12,752	\$502,712		\$502,712
LATTSCLS	LATTSC	LATTA	2	\$172,070	\$2,797	\$788,577	\$42,174	\$1,005,618		\$1,005,618
LBRTSCMA	LBRTSC	LIBERTY	4	\$108,199	\$0	\$730,235	\$0	\$838,434		\$838,434
LKWSQMA	LKWS	LAKE VIEW	2	\$182,264	\$7,127	\$686,978	\$49,413	\$925,782		\$925,782
LKWLSCRS	LKWLSC	LAKE WYLIE WEST	5	\$105,443	\$0	\$906,532	\$0	\$1,011,975		\$1,011,975
LYMNSCES	LYMNS	LYMAN	6	\$174,893	\$0	\$1,293,723	\$0	\$1,468,716		\$1,468,716
LYMNSCIP	LYMNS	LYMAN	6	\$9,398	\$0	\$281,774	\$0	\$291,172		\$291,172
MARNSCBN	MARNSC	MARION	5	\$261,702	\$7,570	\$917,532	\$37,490	\$1,224,294		\$1,224,294
MARNSCMA	MARNSC	MARION	5	\$295,193	\$0	\$1,822,155	\$2,513	\$1,919,861		\$1,919,861
MCCLSQMA	MCCLS	MCCOLL	2	\$106,919	\$1,544	\$502,749	\$22,328	\$633,538		\$633,538
MLNSQWP	MLNS	MULLINS	5	\$177,849	\$0	\$1,142,323	\$0	\$1,320,172		\$1,320,172
MNPLSCS	MNPLSC	MT. PLEASANT	7	\$0	\$0	\$1,934,824	\$0	\$1,934,824		\$1,934,824
MRTTSCMA	MRTTSC	TRAVELERS REST	7	\$343,536	\$4,662	\$1,506,048	\$30,294	\$1,944,538		\$1,944,538
NAGSSQMA	NAGSS	NORTH AUGUSTA	7	\$163,257	\$0	\$2,209,141	\$0	\$2,372,398		\$2,372,398
NWBYSCMA	NWBYSC	NEWBERRY	3	\$409,057	\$0	\$2,323,873	\$90,249	\$2,823,179		\$2,823,179
NWELSCMA	NWELSC	NEW ELLENTON	4	\$125,860	\$0	\$663,506	\$14,761	\$804,127		\$804,127
ORBGSCMA	ORBGSC	ORANGEBURG	4	\$483,643	\$0	\$4,149,425	\$0	\$4,633,068		\$4,633,068
PCKNSCES	PCKNS	PICKENS	4	\$297,925	\$0	\$1,834,124	\$17,622	\$2,149,671		\$2,149,671
PCLTSCS	PCLTSC	PACOLET	5	\$83,538	\$0	\$566,355	\$0	\$649,893		\$649,893
PDMTSCS	PDMTSC	PIEDMONT	7	\$0	\$0	\$248,275	\$0	\$248,275		\$248,275
PNTNSQMA	PNTNS	PENDLETON	5	\$97,700	\$0	\$626,933	\$0	\$724,633		\$724,633
PRSRSCMA	PRSRSC	PROSPERITY	2	\$271,723	\$4,990	\$1,325,234	\$70,331	\$1,672,278		\$1,672,278
SALMSCMA	SALMSC	SALEM	3	\$200,931	\$1,796	\$1,197,963	\$29,776	\$1,430,466		\$1,430,466
SBKSCSK	SBKSC	CHARLESTON	7	\$20,253	\$0	\$793,871	\$0	\$813,924		\$813,924
SCHLSCS	SCHLSC	SOCIETY HILL	5	\$110,480	\$2,812	\$416,237	\$44,531	\$574,060		\$574,060
SENCSCMA	SENCSC	SENECA	4	\$166,951	\$0	\$1,800,317	\$0	\$1,967,268		\$1,967,268
SHRNSQMA	SHRNS	SHARON	2	\$110,879	\$3,519	\$443,688	\$19,384	\$577,670		\$577,670
SPBGSCBS	SPBGSC	SPARTANBURG	6	\$67,112	\$0	\$1,387,485	\$0	\$1,454,597		\$1,454,597
SPBGSCCV	SPBGSC	SPARTANBURG	6	\$104,188	\$0	\$873,497	\$0	\$977,685		\$977,685
SPBGSCWH	SPBGSC	SPARTANBURG	6	\$16,303	\$0	\$195,050	\$0	\$211,353		\$211,353
SPBGSCMA	SPBGSC	SPARTANBURG	6	\$2,738	\$0	\$2,759,581	\$0	\$2,762,319		\$2,762,319
SPBGSCWV	SPBGSC	SPARTANBURG	6	\$120,515	\$0	\$2,344,493	\$0	\$2,465,008		\$2,465,008
SPFDSCMA	SPFDSC	SPRINGFIELD-SALLEY	1	\$144,414	\$3,852	\$571,580	\$31,158	\$751,004		\$751,004
STGRSCMA	STGRSC	ST. GEORGE	1	\$333,305	\$6,807	\$1,513,884	\$131,385	\$1,985,381		\$1,985,381
SUVLSCMA	SUVLSC	SUMMERVILLE	7	\$304,974	\$0	\$4,496,153	\$0	\$4,801,127		\$4,801,127
SXMLSCMA	SXMLSC	SIX MILE	4	\$222,865	\$2,145	\$1,089,724	\$16,664	\$1,331,398		\$1,331,398
TKNASCS	TKNAS	SENECA	4	\$137,133	\$1,038	\$994,114	\$17,889	\$1,150,172		\$1,150,172
TMVLSCMA	TMVLSC	TIMMONSVILLE	5	\$210,699	\$1,860	\$1,109,998	\$27,167	\$1,349,724		\$1,349,724
TRRSQMA	TRRS	TRAVELERS REST	7	\$146,751	\$0	\$1,137,825	\$0	\$1,284,576		\$1,284,576
UNINSQMA	UNINS	UNION	2	\$457,987	\$0	\$2,665,094	\$95,263	\$3,218,344		\$3,218,344
WCLMSCMA	WCLMSC	COLUMBIA	7	\$0	\$0	\$0	\$0	\$0		\$0
WHTMSCMA	WHTMSC	WHITMIRE	2	\$117,571	\$1,179	\$554,751	\$23,871	\$697,372		\$697,372
WLHLSCS	WLHLSC	WALHALLA	3	\$368,878	\$1,319	\$1,876,141	\$64,050	\$2,310,388		\$2,310,388
WMNSCES	WMNS	WESTMINSTER	3	\$385,845	\$5,092	\$1,791,473	\$74,318	\$2,256,728		\$2,256,728
WMTNSCPW	WMTNS	WILLIAMSTON	5	\$311,003	\$0	\$1,741,772	\$0	\$2,052,775		\$2,052,775
YORKSCMA	YORKSC	YORK	5	\$292,071	\$0	\$1,815,680	\$0	\$2,107,751		\$2,107,751
117				\$20,281,781	\$115,787	\$168,783,569	\$2,274,731	\$191,455,868		

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 97-239-C

IN RE: Proceeding to Establish Guidelines)
 for an Intrastate Universal Service Fund)
_____)

This is to certify that the undersigned, Nyla M. Laney, is employed by the Legal Department for BellSouth Telecommunications, Inc. and that she has caused the Direct Testimony of Kathy K. Blake in the foregoing matter to be served upon the person(s) named below this 31st day of December, 2003, by placing copies of same in the United States Mail, postage prepaid, addressed as follows:

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(U.S. Mail and Electronic Mail)

F. David Butler, Esquire
General Counsel
South Carolina Public Service Commission
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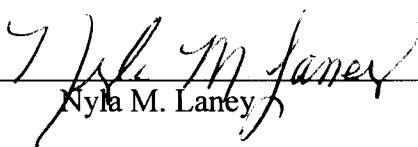
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